

# **EXHIBIT 7**

**From:** Veghte, Bill  
**To:** Mike Lynch  
**CC:** stouffere@us.autonomy.com; megw@hp.com  
**Sent:** 4/26/2012 4:33:49 PM  
**Subject:** RE: Today deal v future rev decision JPMC

All good flags. Do want to consider carefully in the context of JPMC and more broadly across Wall Street for Autonomy and for HP.

Will check in with Meg.

Thanks Mike.

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**From:** Mike Lynch [mailto:mrl@autonomy.com]  
**Sent:** Thursday, April 26, 2012 11:01 AM  
**To:** Veghte, Bill  
**Cc:** stouffere@us.autonomy.com; megw@hp.com  
**Subject:** Today deal v future rev decision JPMC  
**Importance:** High

Hi Bill ,

Hope you are well,

Thanks for the email below and of course we will fit into whatever you decide to do but I do think this needs more consideration as discounting our software by such a large amount to JPMc will I fear materially affect our future revenues form the whole of Wall Street. We have already offered them 20%. As you are probably aware our banking customers are forced to perform supervision by regulation, they have no choice. Furthermore in reality there is little choice other than us. Consequently we set the pricing and unlike normal situations have little to fear from discounting by other providers. Thus in these standoffs we have a track record of waiting and preserving pricing knowing eventually they have to buy. At our instigation from time to time we offer special deals for example if we can gross up a drive order etc but the vital point is the banks are used to us standing firm when they push.

In this situation by applying HP pressure now that Autonomy is part of HP they will be achieving a very very large discount,. This will become known by the other banks and at worse will reset our ability to price and at best disrupt sales whilst they try also holding out and appealing to greater HP. JPMC procurement will be boasting about this and now we are part of HP we will be seen to cave.

We need to think very carefully before discounting for short term revenue and destroying the ongoing multi year annuity stream here. The effect of such strategy can be seen in DP pricing in IM which is often requested at 80% discount, previous such deals having destroyed the market price. There is no competitive need to discount Autonomy at these levels.

Given the risk to substantial future revenues if our pricing is shifted by this I think it would be good for you to discuss it with Meg.

Afterwards let me know what you want to do and we will help in any way required whatever you decide

Mike

p.s. Bill pls use my autonomy address as the HP one you used cannot get to me yet

From Bill Veghte:

I spent several hours over the last two days as exec sponsor for JPMC working thru a very tough situation there. I

have worked with them for more than a decade and over the years done many many EAs with them and this was as bad as it gets. Stouffer has been really helpful but in the end I had to make a call. They were livid over what they perceived as a jam on price and EOL and of course it didn't help that they had a service interruption over the weekend. They can be a pretty vindictive bunch and were threatening to hold up/not do a bunch of potential future Autonomy business including things like the Enterprise Vault, etc..

To get us to a better spot, I gave about \$1.1m of HP SW value away and about \$315k of Autonomy license value (\$57 down to \$40 per registered user) so that we could move forward. I gave more on the SW side because I want to make sure we preserve the Autonomy value prop as much as possible. While not an ideal outcome, it is the best outcome given the situation and preserves the opportunity for us to continue to fight another day.

Dr Mike Lynch OBE FREng

CEO Autonomy

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